

SENATE BILL NO. 265

INTRODUCED BY T. BROWN

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING AN URBAN TRANSPORTATION DISTRICT BOARD TO IMPOSE A MOTOR FUEL EXCISE TAX IF APPROVED BY THE RESIDENTS OF THE DISTRICT; PROVIDING ALLOWED USES OF THE TAX REVENUE; PROVIDING FOR COLLECTION OF THE TAX BY THE COUNTY TREASURER; ALLOWING FOR RETENTION OF CERTAIN PERCENTAGES OF TAX REVENUE FOR ADMINISTRATION AND COLLECTION OF THE TAX; AMENDING SECTIONS 7-14-219, 7-14-233, 7-14-301, AND 7-14-304, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Use of urban transportation district motor fuel excise tax revenue. (1)

The transportation board of an urban transportation district that receives revenue from the tax authorized under 7-14-301 may use the revenue to provide transportation services and facilities to residents of the district and to those who live outside the district boundaries if services or facilities outside of the district boundaries are authorized under 7-14-221.

(2) One percent of the motor fuels excise tax revenue collected in a district may be retained by the retail seller to compensate for the costs of complying with collection of the tax.

Section 2. Section 7-14-219, MCA, is amended to read:

"7-14-219. Powers of transportation board. The board ~~shall have~~ has all powers necessary and proper ~~to for~~ the establishment, operation, improvement, maintenance, and administration of the transportation district, including the power to impose a motor fuel excise tax and authorize use of the revenue in accordance with the provisions of [section 1] and 7-14-301."

Section 3. Section 7-14-233, MCA, is amended to read:

"7-14-233. Collection of tax -- role of county treasurer. (1) The procedure for the collection of the tax ~~shall~~ authorized under 7-14-232 or an urban transportation district local option motor fuel excise tax imposed under 7-14-301 must be in accordance with the existing laws of the state of Montana.

(2) The funds collected under the tax levy ~~shall~~ or imposition of the urban transportation district local option motor fuel excise tax must be held by the county treasurer.

(3) The county treasurer ~~shall~~ must be, ex officio, the treasurer for the transportation district and shall keep a detailed account of:

(a) all tax money paid into the fund;

(b) all other money from any source received by the district; and

(c) all payments and disbursements from the fund.

(4) The county treasurer may retain 5% of the urban transportation district local option motor fuel excise tax for administering the collection of the tax and distribution of the revenue."

Section 4. Section 7-14-301, MCA, is amended to read:

"7-14-301. Local option motor fuel excise tax authorized -- definitions. (1) A motor fuel excise tax may be imposed within a county or within an urban transportation district created under part 2 of this chapter:

(a) by the people of the county or district by initiative; or

(b) by the board of county commissioners or the transportation board by adoption of a resolution and referral to the people.

(2) The motor fuel excise tax must be imposed in increments of 1 cent per gallon and may not exceed 2 cents per gallon. The tax must be imposed upon gasoline sold to the ultimate consumer within the county or the district for use in motor vehicles operated upon public highways, streets, and roads.

(3) The initiative or referendum must specify that the tax is to be collected by the county treasurer.

(4) The motor fuel excise tax may not be assessed sooner than 90 days from the date of passage of the initiative or referendum.

(5) By the 25th day of each month, each retail seller of gasoline shall render a monthly statement to the county treasurer of all gasoline sold during the preceding calendar month in the county or the district in which it is sold to the ultimate consumer and other information that the county treasurer requires in order to administer the motor fuel excise tax.

(6) The county treasurer shall establish procedures to provide a refund to a person who has paid the tax but who can substantiate that the motor fuel was purchased for a use other than on public highways, streets, and roads.

(7) In this part, the terms "gasoline", "motor vehicle", "person", and "use" have the meanings ascribed

1 to them in 15-70-201."

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3 **Section 5.** Section 7-14-304, MCA, is amended to read:

4 **"7-14-304. Collection of delinquent tax -- interest and penalty -- statute of limitations.** (1) Motor
5 fuel taxes imposed pursuant to 7-14-301 and collected by a retail seller but not transmitted to the county treasurer
6 are delinquent after the date that they are due to the county treasurer and become a lien upon all real and
7 personal property owned by the retail seller in the county or the urban transportation district. The county shall
8 collect the delinquent motor fuel taxes in the manner that delinquent personal property taxes are collected.

9 (2) Penalties and interest for any delinquent motor fuel excise tax are the same as provided for the
10 gasoline license tax under Title 15, chapter 70, part 2.

11 (3) Any action to recover a delinquent motor fuel excise tax must be initiated within 3 years from the due
12 date of the return or the date of filing the return, whichever period expires later. Upon discovery of fraud, an action
13 must be initiated within 3 years of the discovery."
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15 NEW SECTION. **Section 6. Codification instruction.** [Section 1] is intended to be codified as an
16 integral part of Title 7, chapter 14, part 2, and the provisions of Title 7, chapter 14, part 2, apply to [section 1].
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18 NEW SECTION. **Section 7. Effective date.** [This act] is effective July 1, 2009.
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